

BUYING A HOME QUIZ

1. A main advantage of renting is pride of ownership.
 - True
 - False
2. Buying a home will usually have fewer costs than renting.
 - True
 - False
3. The home-buying process ends with closing the purchase transaction.
 - True
 - False
4. A larger down payment will reduce the amount of the mortgage needed.
 - True
 - False
5. Conventional mortgages usually have rates that change as market interest rates change.
 - True
 - False
6. A common disadvantage of buying a home is:
 - few financial benefits.
 - limited mobility.
 - restrictions on decorating and having pets.
 - conditions in the lease.
7. The home-buying process starts with:
 - locating and evaluating a home.
 - pricing the property.
 - determining homeownership needs.
 - obtaining an appraisal of the property.
8. The amount of a mortgage a person can afford is affected by:
 - the location of the house.
 - her or his income.
 - the cost of insurance.
 - his or her age.

9. A (fill in the blank) mortgage has a very large final payment.

- conventional
- graduated-payment
- shared-appreciation
- balloon

10. The charges for settling a real estate transaction are also called (fill in the blank) costs.

- mortgage
- closing
- possession
- selling